

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BOARD OF ADMINISTRATION

INVESTMENT COMMITTEE

February 14, 2006

Chief Investment Officer's

Consolidated Investment Activity Report

(November 2005 Reporting Period)

Market Environment – November 30, 2005

General Market Commentary

Equity markets rebounded strongly in November after significant October declines. Fixed income posted positive gains as interest rates declined marginally.

Domestic and International Equities

Equity markets around the world rose in November. In the United States, growth equities led their value counterparts across the capitalization spectrum. Large-cap growth equities rose 4.3% (Russell 1000 Growth), beating the large-cap value equity return of 3.3% (Russell 1000 Value). Small-cap growth equities (Russell 2000 Growth) rose 5.7%, leading small-cap value (Russell 2000 Value), which returned 4.1%. Outside the U.S., developed and emerging markets rose in U.S. dollar terms. The MSCI EAFE Index of developed nations rose by 2.5% and the MSCI Emerging Markets Free Index rose 8.3%.

Domestic and International Fixed Income

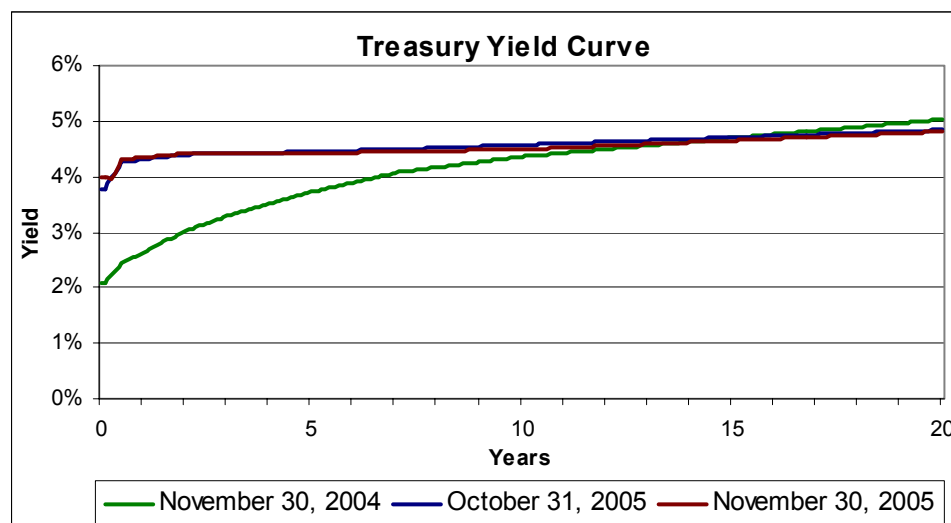
U.S. Fixed income securities experienced positive returns in November as interest rates declined. Corporates generally rose more than government securities. The benchmark Lehman Brothers Aggregate Bond Index returned 0.4% in the month, while 90-day Treasury Bills rose 0.3%. Outside the U.S. the Citigroup World Government Bond Index ex US declined by 1.7%, in U.S. dollar terms.

Real Estate

Real estate, as measured by the NAREIT Equity Index, rose by 4.3% in November. The NCREIF Index of Real Estate Properties returned 4.4% in the quarter ended September 2005.

Private Equity, Absolute Return Strategies

The Venture Economics All Private Equity Index returned 20.4% for the 12 months ended June 2005 and 12.7% for the 10 years ended June 2005. Absolute Return funds (CSFB/Tremont Hedge Fund Index) returned 1.5% in November 2005 and 7.6% in the 12 months ended November 2005.



MARKET INDICATORS	11/30/2004	Direction	10/31/2005	Direction	11/30/2005
1m LIBOR (fixed in \$)	2.29%	▲	4.09%	▲	4.29%
Federal Funds	2.00%	▲	4.00%	▲	4.25%
10Y Treasury Note Yield	4.36%	▲	4.56%	▼	4.33%
30Y Treasury Bond Yield	5.01%	▼	4.76%	▼	4.70%
DJ-Wilshire 5000 Comp	11,552.06	▲	12,043.73	▲	12,496.61
S&P 500	1,173.82	▲	1,207.01	▲	1,249.48
NASDAQ Composite	2,096.81	▲	2,120.30	▲	2,232.82
FTSE 100 Index	4,703.20	▲	5,317.30	▲	5,423.20
Nikkei 225 Index	10,899.25	▲	13,606.50	▲	14,872.15
Yen/\$ (Dollar Strength)	103.040	▲	116.360	▲	119.660
Euro/\$ (Dollar Strength)	0.754	▲	0.834	▲	0.848
GBP/\$ (Dollar Strength)	0.524	▲	0.565	▲	0.577
Crude Oil per Barrel	\$ 49.13	▲	\$ 59.76	▲	\$ 66.24
Gold (\$/oz Daily Spot)	\$ 453.40	▲	\$ 470.75	▲	\$ 495.65
GS Commodities Index	\$ 342.50	▲	\$ 422.88	▼	\$ 415.91

CalPERS Asset Allocation – November 30, 2005

Summary

- Total Fund Market Value was \$198.8 Billion
- Total Fund Book Value was \$155.5 Billion
- All Asset Classes are within their permissible ranges relative to target ranges and strategic target levels.

Book to Market Value Comparison

	Book Value (\$ Billion)	Market Value (\$ Billion)	Difference (\$ Billion)
Total Cash Equivalents	\$3.4	\$3.4	\$0.0
Total AIM Direct/Partnership	\$11.8	\$10.0	-\$1.8
Total Global Fixed Income	\$48.9	\$48.9	\$0.0
Domestic Equities ¹	\$47.1	\$80.8	\$33.6
International Equities	\$36.8	\$46.4	\$9.6
Total Global Equities	\$83.9	\$127.2	\$43.2
Total Real Estate	\$7.6	\$9.4	\$1.8
Total Equities and Real Estate	\$91.5	\$136.6	\$45.1
Total Fund	\$155.5	\$198.8	\$43.2

¹ Included is MDP Investment - LM Capital Investment: Total Book Value=**\$182.7M**, Total Market Value=**\$179.7M**.

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values. When summing net amounts on this report, there may be breakage.

Top Company Exposures

- As a very significant institutional investor, CalPERS has large exposures to the securities of many corporations either through internal or externally managed portfolios. Consistent with board requested information and in support of the Board of Administration's oversight role, a schedule of the top 20 company exposures is prepared for informational purposes and can be found on Page 4.

CalPERS Total Fund Top 20 Company Exposures

Based on Total Market Values as of 11/30/2005

Company Name	Equity Exposure				Total Equity Market Value	Fixed Income Exposure				Total FI Market Value	Real Estate		
	Internally Managed		Externally Managed			Internal	External	Sec. Lending(2)	Exposure (1)		TOTAL	% of Total	
	Active	Passive	Active	Passive									Fund(3)
GENERAL ELECTRIC	227,553,438	1,409,486,196	202,578,229		1,839,617,863	48,459,803	68,808,959	630,834,498	748,103,260		2,587,721,123	0.98%	
EXXON MOBIL CORP	179,382,220	1,391,141,584	236,144,264		1,806,668,068				0		1,806,668,068	0.90%	
MICROSOFT CORP	235,787,909	1,120,827,935	188,843,234		1,545,459,078				0		1,545,459,078	0.77%	
CITIGROUP	147,214,378	937,544,195	215,929,572		1,300,688,145	80,959,693	26,974,729		107,934,422		1,408,622,567	0.70%	
WAL MART STORES INC	152,983,181	773,939,568	61,812,747		988,735,496	110,692,614	4,131,343		114,823,957		1,103,559,453	0.55%	
PROCTER + GAMBLE CO	130,392,228	756,440,978	83,473,838		970,307,044	5,015,368			5,015,368		975,322,412	0.49%	
BANK OF AMERICA	55,737,673	692,952,767	141,991,186		890,681,626	54,000,754	14,333,503		68,334,257		959,015,883	0.48%	
JOHNSON + JOHNSON	129,321,790	678,706,600	127,275,457		935,303,847				0		935,303,847	0.47%	
INTEL CORP	136,609,364	637,203,776	123,652,862		897,466,002				0		897,466,002	0.45%	
JPMORGAN CHASE & CO	76,197,404	510,803,280	76,591,379		663,592,063	13,562,029	5,890,858	208,001,290	227,454,177	8,828,590	899,874,830	0.35%	
HSBC HOLDINGS	0	89,736,295	111,733,220	302,084,552	503,554,067	151,444,634	13,617,101	202,503,930	367,565,665		871,119,732	0.33%	
CHEVRONTXACO CORP	94,708,557	487,066,228	97,942,102		679,716,887	117,403,315	24,969,674		142,372,989		822,089,876	0.41%	
PFIZER INC	106,313,400	592,961,880	114,350,765		813,626,045	5,737,208			5,737,208		819,363,253	0.41%	
AMERICAN INTL GROUP INC	87,437,228	645,571,242	63,036,470		796,044,940	9,172,148	4,506,697		13,678,845		809,723,785	0.40%	
BRITISH PETROLEUM	0	113,877,678	95,421,048	383,005,298	592,304,024			186,000,000	186,000,000		778,304,024	0.30%	
BERKSHIRE HATHAWAY	109,694,785	489,120,600	22,392,490		621,207,875			149,977,500	149,977,500		771,185,375	0.31%	
INTERNATIONAL BUSINESS I	104,803,321	564,221,630	52,276,667		721,301,618	8,258,448	3,357,516		11,615,964		732,917,582	0.37%	
VERIZON	45,831,657	324,907,206	58,840,802		429,579,665	267,230,826	18,148,711		285,379,537		714,959,202	0.36%	
TOTAL SA	0	77,358,131	133,513,372	260,423,707	471,295,210			185,800,000	185,800,000		657,095,210	0.24%	
PRUDENTIAL FINL INC	241,348,680	158,197,860	253,745,243		653,291,783				0		653,291,783	0.33%	

(1) Real Estate exposure data only includes the 20 companies with the highest annual lease revenues for each core partnership, excludes properties in escrow. The market value exposures are calculated based only on two years of expected lease revenues.

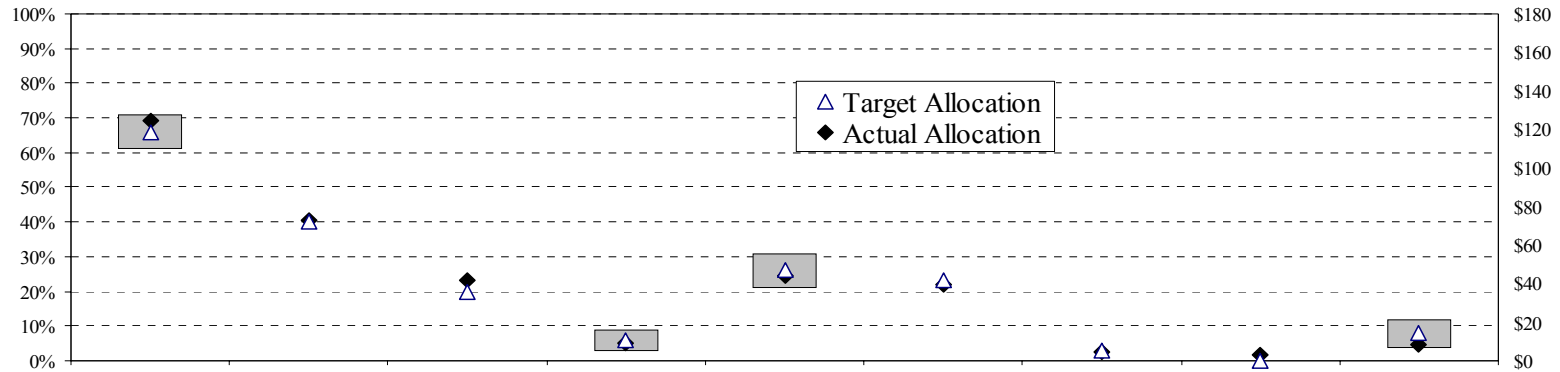
(2) Does not include Repos

(3) Excludes securities lending exposure

CalPERS

Asset Allocation as of November 30, 2005

Total Fund Market Value: **\$198,771,591,825**



	Total Equity	Domestic Equity	Non-U.S. Equity	Private Equity	Global Fixed	Domestic Fixed	Non-U.S. Fixed	Cash ²	Real Estate	Total Fund
Target Range	61-71%	N/A	N/A	3-9%	21-31%	N/A	N/A	N/A	4-12%	N/A
Strategic %	66.0%	40.0%	20.0%	6.0%	26.0%	23.0%	3.0%	0.0%	8.0%	N/A
Actual %	69.0%	40.6%	23.3%	5.0%	24.6%	21.9%	2.7%	1.7%	4.7%	N/A
Variance %	3.0%	0.6%	3.3%	(1.0%)	(1.4%)	(1.1%)	(0.3%)	1.7%	(3.3%)	N/A
Strategic \$ ³	\$131.2	\$79.5	\$39.8	\$11.9	\$51.7	\$45.7	\$6.0	\$0.0	\$15.9	N/A
Actual \$ ^{3 4}	\$137.1	\$80.8	\$46.4	\$10.0	\$48.9	\$43.6	\$5.3	\$3.4	\$9.4	N/A
Variance \$ ³	\$5.9	\$1.3	\$6.6	(\$2.0)	(\$2.8)	(\$2.2)	(\$0.7)	\$3.4	(\$6.5)	N/A
% Passive	61.9%	81.5%	41.3%	0.0%	0.0%	0.0%	0.0%	0.0%	4.7%	43.0%
% Active	38.1%	18.5%	58.7%	100.0%	100.0%	100.0%	100.0%	100.0%	95.3%	57.0%
% Internal ¹	52.0%	81.5%	12.0%	0.0%	88.5%	99.3%	0.0%	44.9%	4.7%	58.7%
% External ¹	48.0%	18.5%	88.0%	100.0%	11.5%	0.7%	100.0%	55.1%	95.3%	41.3%

MDP Venture accounts included in MDP's primary asset class. MDP Fixed and Enhanced Index Equity roll to External Domestic Equity.

¹ For cash percentage only, average over previous 6 months.

² Cash includes SMIF at STO.

³ (\$ Billion)

⁴ Based upon Trade Date Accounting as recommended by CFA Institute GIPS Standards.

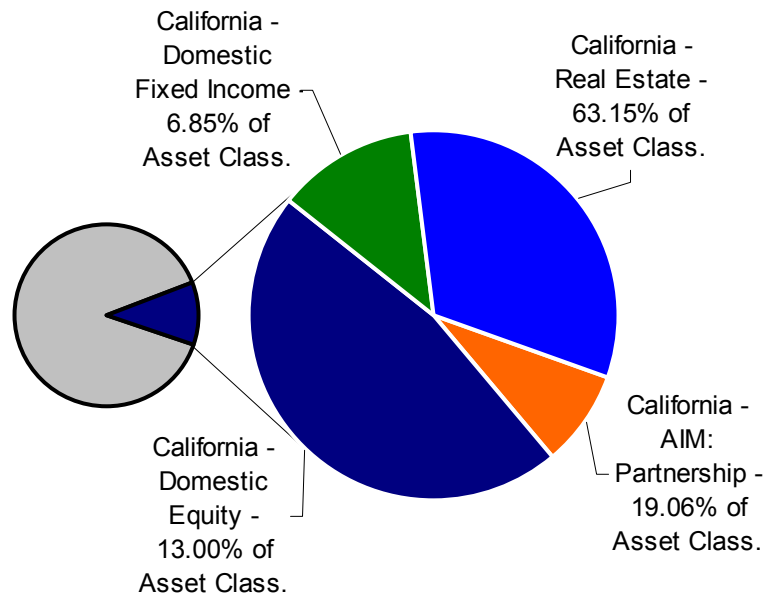
Private Equity Asset Allocation as of 11/30/2005			
Funded	\$(in Billions)	% Allocation	Target Range
Current Market Value	\$9.97	5.0%	
Unfunded Commitment	\$10.40	5.2%	
Current Market Value plus Unfunded Commitment	\$20.37	10.2%	3-9%

CalPERS Investments in the State of California – November 30, 2005

The State of California offers CalPERS a number of attractive investment opportunities. The following charts summarize the investments by asset class as of the date of this report. A detailed report on California investments is available in the supplemental reporting document.

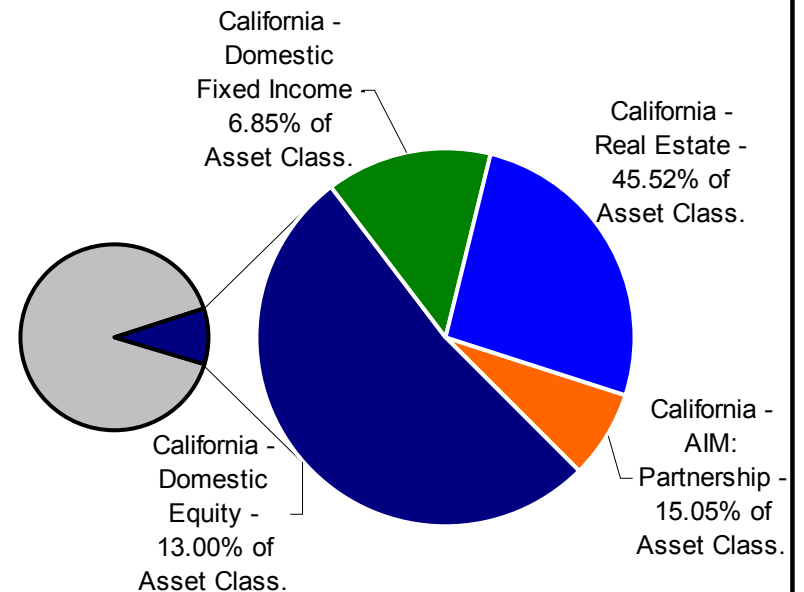
California Commitments (includes unfunded investments)

Current California Commitments at 11/30/2005 Total Fund %: 11.34%



California Investments

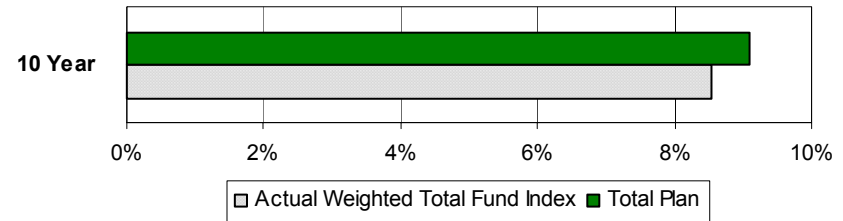
Current California Investments at 11/30/2005 Total Fund %: 10.11%



Performance Summary – November 30, 2005

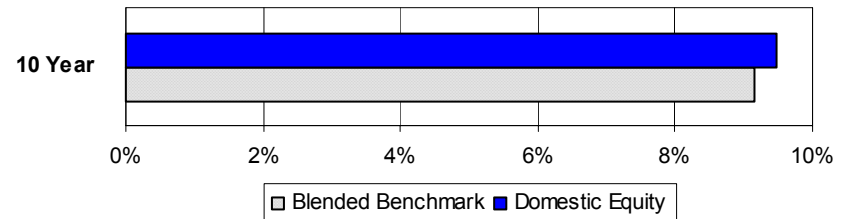
Total Plan:

Net Total Fund returns have exceeded the Policy Index in all periods shown except the fiscal year to date. Ten-year net returns were 9.10% versus 8.53% for the actual weighted index.



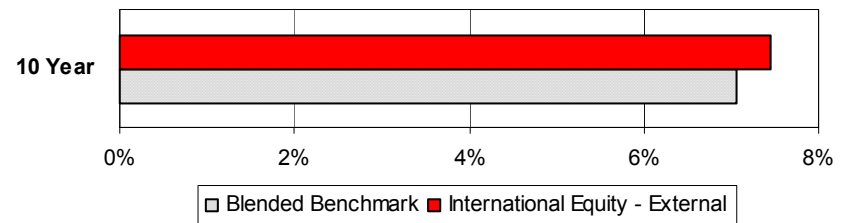
Domestic Equity:

Net Domestic Equity returns have exceeded the Blended Index in all periods shown. Ten-year net returns were 9.48% versus 9.15% for the blended benchmark.



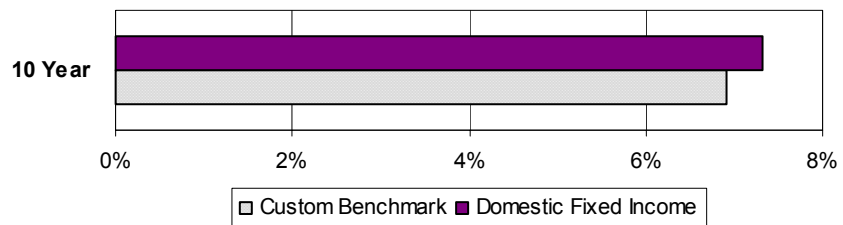
International Equity:

Net International Equity (External) returns including the currency overlay (which has hindered medium-term returns) generally outperformed all but medium-term blended benchmark returns. Despite observed medium-term underperformance, ten-year net returns were 7.45% (7.09% without currency overlay) versus 7.05% for the blended benchmark. The Internal portfolio has returned 12.41% since 5/1/2005 inception (exceeding its benchmark of 12.05%).



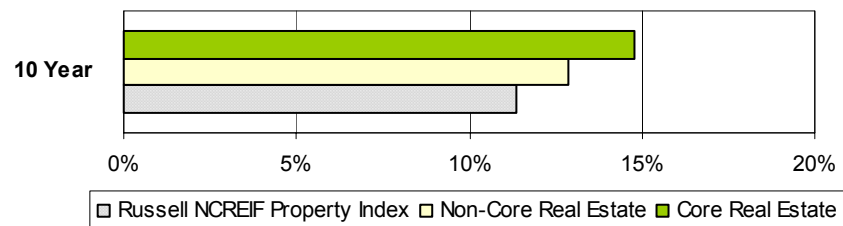
Domestic Fixed Income:

Net Domestic Fixed Income returns have exceeded the benchmark in all periods shown. Ten-year net returns were 7.33% versus 6.92% for the benchmark.



Real Estate:

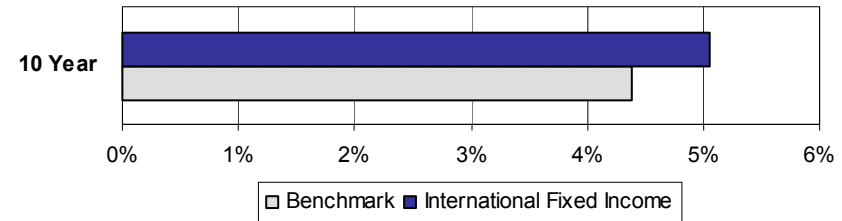
Net returns to the Core Portfolio have exceeded the NCREIF Property benchmark in all periods shown. Non-core portfolio returns have exceeded the benchmark in all periods shown. Ten-year net returns were 14.78% for the Core Real Estate portfolio and 12.85% for Non-Core Real Estate versus 11.37% for the lagged benchmark.



Performance Summary – November 30, 2005

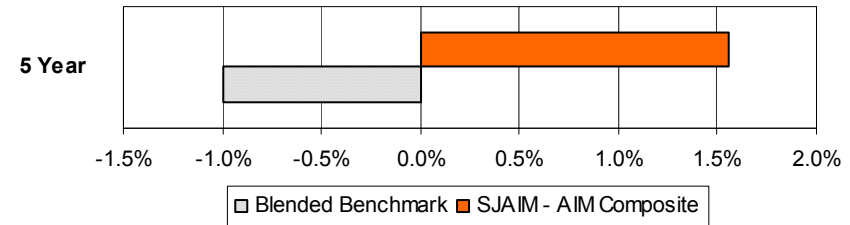
International Fixed Income:

Net International Fixed Income returns have exceeded the benchmark in all periods shown except for the one-month, one-quarter, and fiscal year to date periods. Ten-year net returns were 5.06% versus 4.39% for the benchmark.



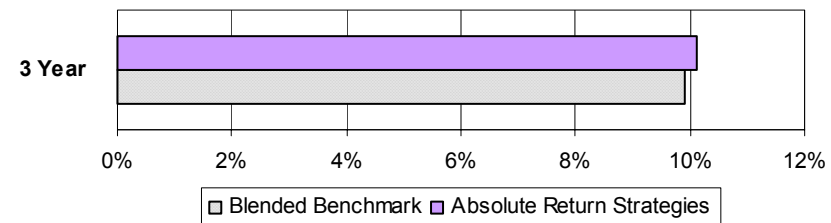
Alternative Investments:

Net returns for the Alternative Investments portfolio have exceeded the blended benchmark in all periods shown except the one-month and fiscal year to date periods. Five-year net returns are shown for the AIM Composite, which includes distributed stock (1.56% vs. -1.00%). Ten-year net returns for the AIM Partnership & Direct Composite were 12.74%, exceeding the ten-year custom blended benchmark return of 7.63%.



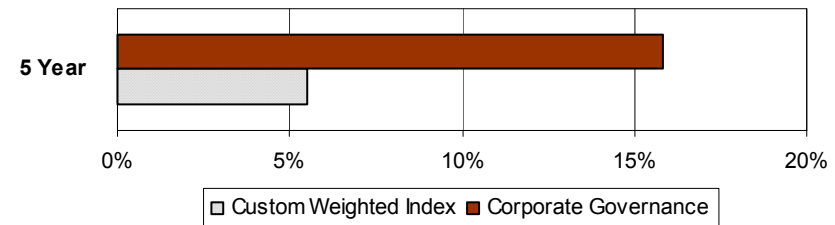
Absolute Return Strategies:

Net Absolute Return Strategies returns have outperformed all but the quarter-to-date period shown. Three-year net returns were 10.10% versus 9.91% for the blended benchmark.



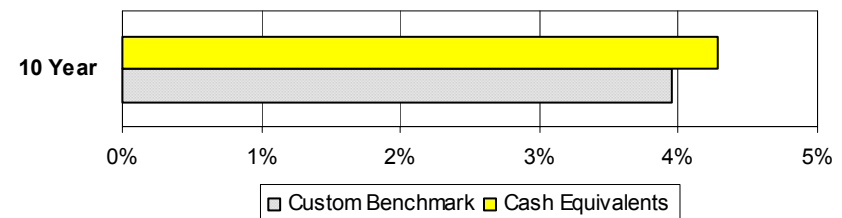
Corporate Governance:

Net returns to Corporate Governance Investments have exceeded the Custom Benchmark in all periods shown except for one-month, one-quarter, and fiscal-year-to-date. Five-year net returns were 15.81% versus 5.51% for the weighted index.



Cash Equivalents:

Net returns for the Cash Equivalents portfolio have exceeded the benchmark in all periods shown. Ten-year net returns were 4.28% versus 3.95% for the custom benchmark.



CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
CIO REPORT
GROSS RATES OF RETURN
Period Ending November 30, 2005
Investment Committee Meeting February 2006

	MKT VAL (000'S)	One Month Nov 05	QTR Sep - Nov 05	FYTD 05-06	CYTD 2005	1 Year	3 Years	5 Years	10 Years
TOTAL PLAN									
SJ1CA1 TOTAL FUND	198,771,592	2.59	2.96	6.11	9.42	12.92	14.34	5.95	9.25
CALPERS POLICY INDEX		2.47	1.97	5.08	7.34	10.35	12.83	5.07	8.37
ACTUAL WEIGHTED TOTAL FUND INDEX		2.51	2.57	6.15	8.13	11.47	13.44	5.42	8.53
GLOBAL EQUITY									
DOMESTIC									
SH8CA1 TOT DOME EQ+IND HG+ENV EX VENT, HDG, CG	77,365,240	4.08	3.11	6.37	6.26	10.04	13.55	2.13	9.50
WILSHIRE 2500 EX TOBACCO (BLENDED)		4.02	3.02	6.17	6.14	9.84	13.46	1.80	9.15
INTERNATIONAL - EXTERNAL									
SHBCA1 INTL TOT EXT EQ+MDP+IND HG, EX OVLY EX VT	32,840,127	3.42	4.73	11.55	11.91	16.97	22.17	5.85	7.13
SHBKA1 INTL TOT EXT EQ+MDP+IND HG+OVLY EX VT	33,007,871	3.89	5.84	12.46	14.85	19.87	21.24	5.14	7.50
CALPERS FTSE A-WX US/SSGA BLEND		3.28	4.57	11.07	11.11	16.04	22.28	5.87	7.05
INTERNATIONAL - INTERNAL									
SWB3 INTERNAL INTERNATIONAL EQUITY INDEX	5,615,495	2.59	3.73	10.08					
CALPERS FTSE DEV WORLD EX US & TOBACCO		2.60	3.66	9.96					
SWCG INTERNATIONAL EQUITY TRANSITION	3,691,176	-0.19							
HEDGE FUND INVESTMENTS									
SNLCA1 TOTAL ARS PROGRAM COMPOSITE	1,687,906	1.31	1.12	4.56	7.70	10.07	10.46		
TOTAL ARS PROGRAM BLENDED INDEX		0.72	1.70	2.95	6.56	7.15	9.91		
CORPORATE GOVERNANCE									
SWMKA1 CORPORATE GOVERNANCE	3,774,625	4.41	6.55	9.67	19.40	26.32	27.87	16.34	
CALPERS TOTAL CORP GOV WEIGHTED INDEX		4.65	7.83	13.16	13.92	18.70	19.09	5.51	
MDP DOM FIXED INCOME-INVESTMENTS									
SN1KA1 MDP DOM FIXED INCOME-INVESTMENTS	179,672	0.26	-1.28	-0.83	0.69	1.61	5.56		
CITIGROUP BROAD INVESTMENT GRADE		0.44	-1.40	-1.02	1.56	2.54	4.12	6.12	6.23
GLOBAL FIXED INCOME									
DOMESTIC									
SJDKA1 TOTAL DOM FIXED	43,559,012	0.67	-1.66	-1.03	2.94	4.49	7.65	7.88	7.34
CALPERS CUSTOM LEH LPF		0.58	-2.51	-2.09	2.18	3.84	5.66	7.36	6.92
INTERNATIONAL									
SJDCA1 TOTAL INTERNATIONAL FIXED INCOME	5,305,729	-1.73	-5.60	-4.77	-9.63	-8.15	8.82	8.26	5.14
CALPERS WORLD GOVT EX US		-1.50	-5.47	-4.61	-9.91	-8.24	8.16	7.96	4.39
CASH EQUIVALENTS									
SJVKA1 TOTAL CASH	3,384,498	0.34	1.14	1.71	3.08	3.28	1.98	2.67	4.28
CALPERS CUSTOM STIF NET OF FEES		0.32	0.94	1.51	2.82	2.99	1.75	2.35	3.95
ALTERNATIVE INVESTMENTS									
SJAIM AIM COMPOSITE	9,967,276	0.01	5.60	7.77	22.93	23.18	12.34	1.57	
SJXKA1 AIM: PARTNERSHIP & DIRECT INVESTMENTS	9,877,837	0.01	5.73	7.77	23.23	23.44	12.27	1.74	12.74
PERS WILSHIRE 2500/CYFU BLEND		1.60	4.87	8.24	17.90	19.30	9.18	-1.00	7.63
SW2V AIM DISTRIBUTION STOCK	89,439	0.04	-8.67	-0.18	1.17	2.54	18.85	-5.89	
REAL ESTATE									
SW3CA1 CORE REAL ESTATE	5,301,493	0.09	16.50	16.59	48.74	57.35	23.79	19.96	16.53
SW7KA1 TOTAL NON-CORE REAL ESTATE	4,082,027	0.35	7.11	7.89	31.55	38.30	26.32	16.33	15.52
NCREIF PROPERTY 1 QTR LAG INDEX		0.00	5.34	5.34	14.12	18.02	12.08	10.63	11.37

⁽¹⁾ SJXKA1 actual inception 3/90, returns only available since conversion to State Street Bank. Excludes MDP venture accounts in composites SW9C, SWDC.
Private Real Estate valued at prior quarter-end; Public Real Estate valued at current month-end.

This report prepared by State Street Bank

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
CIO REPORT
NET RATES OF RETURN
Period Ending November 30, 2005
Investment Committee Meeting February 2006

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TOTAL PLAN									
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CALPERS POLICY INDEX		2.47	1.97	5.08	7.34	10.35	12.83	5.07	8.37
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INTERNATIONAL - EXTERNAL									
SHBCA1 INTL TOT EXT EQ+MDP+IND HG, EX OVLY EX VT	32,840,127	3.40	4.70	11.51	11.84	16.89	22.09	5.79	7.09
SHBKA1 INTL TOT EXT EQ+MDP+IND HG+OVLY EX VT	33,007,871	3.87	5.82	12.42	14.77	19.78	21.15	5.08	7.45
CALPERS FTSE A-W X US/SSGA BLEND		3.28	4.57	11.07	11.11	16.04	22.28	5.87	7.05
INTERNATIONAL - INTERNAL									
SWB3 INTERNAL INTERNATIONAL EQUITY INDEX	5,615,495	2.59	3.73	10.08					
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TOTAL ARS PROGRAM BLENDED INDEX		0.72	1.70	2.95	6.56	7.15	9.91		
CORPORATE GOVERNANCE									
SWMKA1 CORPORATE GOVERNANCE	3,774,625	4.41	6.54	9.66	19.14	26.04	27.24	15.81	
CALPERS TOTAL CORP GOV WEIGHTED INDEX		4.65	7.83	13.16	13.92	18.70	19.09	5.51	
MDP DOM FIXED INCOME-INVESTMENTS									
SN1KA1 MDP DOM FIXED INCOME-INVESTMENTS	179,672	0.23	-1.32	-0.91	0.55	1.43	5.31		
CITIGROUP BROAD INVESTMENT GRADE		0.44	-1.40	-1.02	1.56	2.54	4.12	6.12	6.23
GLOBAL FIXED INCOME									
DOMESTIC									
SJDKA1 TOTAL DOM FIXED	43,559,012	0.67	-1.67	-1.03	2.93	4.47	7.64	7.87	7.33
CALPERS CUSTOM LEH LPF		0.58	-2.51	-2.09	2.18	3.84	5.66	7.36	6.92
INTERNATIONAL									
SJDCA1 TOTAL INTERNATIONAL FIXED INCOME	5,305,729	-1.74	-5.62	-4.81	-9.69	-8.23	8.74	8.18	5.06
CALPERS WORLD GOVT EX US		-1.50	-5.47	-4.61	-9.91	-8.24	8.16	7.96	4.39
CASH EQUIVALENTS									
SJVKA1 TOTAL CASH	3,384,498	0.34	1.14	1.71	3.08	3.28	1.98	2.67	4.28
CALPERS CUSTOM STIF NET OF FEES		0.32	0.94	1.51	2.82	2.99	1.75	2.35	3.95
ALTERNATIVE INVESTMENTS									
SJAIM AIM COMPOSITE	9,967,276	0.01	5.60	7.76	22.91	23.16	12.32	1.56	
SJXKA1 AIM: PARTNERSHIP & DIRECT INVESTMENTS	9,877,837	0.01	5.73	7.77	23.23	23.44	12.27	1.74	12.74
PERS WILSHIRE 2500/CYFU BLEND		1.60	4.87	8.24	17.90	19.30	9.18	-1.00	7.63
SW2V AIM DISTRIBUTION STOCK	89,439	0.04	-8.83	-1.06	0.02	1.38	17.75	-6.86	
REAL ESTATE									
SW3CA1 CORE REAL ESTATE	5,301,493	0.09	13.55	13.64	38.62	46.24	20.00	17.22	14.78
SW7KA1 TOTAL NON-CORE REAL ESTATE	4,082,027	0.35	5.81	6.58	22.11	27.53	20.79	12.39	12.85
NCREIF PROPERTY 1 QTR LAG INDEX		0.00	5.34	5.34	14.12	18.02	12.08	10.63	11.37

⁽¹⁾ SJXKA1 actual inception 3/90, returns only available since conversion to State Street Bank. Excludes MDP venture accounts in composites SW9C, SWDC.
Private Real Estate valued at prior quarter-end; Public Real Estate valued at current month-end.

This report prepared by State Street Bank

Investment Operations Report – November 30, 2005

Status Report

- No items to report

Closed Session Transactions

- No items to report

Activity Reports – November 30, 2005

- Staff prepares activity reports for the AIM, Absolute Return Strategies and Opportunistic Real Estate Programs. Detailed reports and investment summaries for the AIM and Risk Managed Absolute Return Strategies are included in the supplemental reporting document. Opportunistic Real Estate Investments will be reported below as they occur.

AIM Activity Report

Activity	Month	2003	2004	2005 YTD	Since Inception
Investment Proposals Received	30	298	381	298	5763
Declined/Referred/Failed to Materialize	62	206	223	404	4567
Deals in Screening	78	298	397	299	2776
Due Diligence Reviews	24	25	65	50	496
Authorized Investments (\$ Millions)	\$60.0	\$995.0	\$1,697.5	\$4,673.0	\$28,081.3

Risk Managed Absolute Return Strategies Program Activity Report

Activity	2003	2004	2005 YTD	Since Inception
Information Received	181	59	55	553
Declined	108	12	1	236
Deals in Screening	72	45	54	299
Due Diligence Reviews	1	5	20	41
Approved by ARS Board	1	5	20	39
Funded Investments (\$ Millions)	\$95	\$149	\$608	\$1,336

Opportunistic Real Estate Investments Activity Report

Activity	Month
No items to report	November 2005

Investment Transactions – October 31, 2005

Investment Transactions are reported to the Investment Committee for review under the requirements of California Government Code Section 20191. Information is provided in summary format in this consolidated document. Full reporting is available in the supplemental reporting document.

Portfolio Summary and Transactions Report:

- Purchases – Internal Management (Page 14)
- Sales – Internal Management (Page 15)
- Currency Hedge Portfolio Summary (Page 16)
- Currency Hedge Portfolio Transactions (Page 16)

Investment Transaction Information as of 10/31/2005: (full reporting is available in the supplemental reporting document)

- Fixed Income Transactions
 - Internal Domestic
 - External International and High Yield
 - Special Mortgage Investment Program Transactions
 - High Yield Performance
- Equity Summary & Transactions
 - Internal Domestic
 - Corporate Actions
 - External Domestic
 - External International
- Internal Programs
 - Closed Real Estate Transactions Summary
 - Dispositions Summaries
 - LaSalle/CalEast – Chicago Land Holdings, CalPERS share \$26,152,897.00
 - Reef/CalSmart – Bloomfield Building 3, CalPERS share \$730,359.00
 - Reef/CalSmart – Bloomfield Building 5, CalPERS share \$806,028.00
 - Reef/CalWest – 5100 West 82nd Street, CalPERS share \$3,917,185.00
 - Reef/CalSmart – Oakesdale Commerce, CalPERS share \$778,548.00
 - Reef/CalSmart – Bloomfield, CalPERS share \$674,674.00
 - Reef/CalSmart – Sierra Gateway Bldg 2 & 5, CalPERS share \$15,363,170.00
 - Reef/CalWest – Airport Business Park, CalPERS share \$9,776,253.00
 - LaSalle/CalEast – Baltimore Land Holdings, CalPERS share \$9,680,816.00
 - Reef/CalWest – Alondra Business Park, CalPERS share \$10,431,653.00
 - WRF-GID – Windsor at Ontario Place, CalPERS share \$116,286,101.00

Investment Transactions – October 31, 2005

Investment Transaction Information as of 10/31/2005 (continued): [\(full reporting is available in the supplemental reporting document\)](#)

- Acquisition Summaries
 - Reef/CalSmart – Galveston 10, CalPERS share \$14,548,353.00
 - Hines/NOP – Pacific Plaza, CalPERS share \$79,991,251.00
 - Buchanan Street – Folsom Shopping Center, CalPERS share \$8,190,240.00
 - Buchanan Street – South Coast Furniture, CalPERS share \$10,179,820.00
 - LaSalle/CalEast – Sunset LV Land Holdings, CalPERS share \$10,760,400.00
 - Buchanan Street – Colonial Texas Portfolio, CalPERS share \$19,568,223.00
 - LaSalle/CalEast – 7040 East 56th Avenue, CalPERS share \$2,793,519.00
- AIM Program Transactions
- Summary Listing of Capital Calls and Aggregate Distributions
- AIM Program Investments Completed under Delegation of Authority
 - Investment Summaries
 - Carlyle Asia Growth Partners III, L.P. – commitment of \$30 million
 - DFJ Element, L.P. – commitment 20% of fund, up to \$30 million
 - Rockport Capital Partners II, L.P. – commitment of \$15 million
- Risk Managed Absolute Return Strategies Program Items Completed Under Delegation of Authority
 - Investment Summaries
 - O'Connor Global Quantitative Equity, LLC - \$50 million initial contribution
 - The 32 Capital Fund, LLC - \$50 million initial contribution

Portfolio Summary and Transactions

INVESTMENT TRANSACTIONS SUMMARY

(\$ Millions)

October 31, 2005

PURCHASES

INTERNAL MANAGEMENT

	<u>PAR</u>	<u>COST</u>	<u>ANNUALIZED YIELD</u>	<u>%OF LONG TERM PURCHASES</u>
<u>ALTERNATIVE INVESTMENTS:</u>				
Partnership Component	292.3	\$297.9	N/A	3.51%
<u>BONDS:</u>				
Utilities & Industrials	84.0	\$87.3	6.09%	1.03%
Sovereign	<u>82.0</u>	<u>82.0</u>	4.68%	<u>0.97%</u>
Total	166.0	\$169.3		1.99%
<u>GOVERNMENTS:</u>				
U.S. Agencies & Treasuries	909.0	\$997.2	4.74%	11.74%
<u>MORTGAGE SECURITIES:</u>				
Pass-Through	638.0	\$613.7	5.05%	7.23%
CMO	<u>95.0</u>	<u>95.4</u>	<u>5.28%</u>	<u>1.12%</u>
Total	733.0	\$709.1		8.35%
<u>EQUITIES:</u>				
Common Stock		\$1,780.5	N/A	20.97%
EXTERNAL MANAGEMENT				
<u>EQUITIES AND FIXED INCOME:</u>				
International Common Stock		\$2,838.6	N/A	33.43%
Domestic Common Stock		1,150.3	N/A	13.55%
International Fixed Income		<u>549.1</u>	N/A	<u>6.47%</u>
Total		\$4,538.0		53.44%
TOTAL PURCHASES:		\$8,492.0		100%

Portfolio Summary and Transactions

INVESTMENT TRANSACTIONS SUMMARY

(\$ Millions)

October 31, 2005

SALES

INTERNAL MANAGEMENT

	<u>PAR</u>	<u>COST</u>	<u>PROCEEDS</u>	<u>GAIN/ LOSS</u>
<u>ALTERNATIVE INVESTMENTS:</u>				
Partnership Component	10.0	\$0.3	\$0.3	\$0.0
<u>BONDS:</u>				
Utilities & Industrials	114.0	\$116.2	\$108.2	(\$8.0)
Sovereign	<u>88.9</u>	<u>90.0</u>	<u>88.6</u>	<u>(1.4)</u>
Total	202.9	\$206.2	\$196.8	(\$9.4)
<u>GOVERNMENTS:</u>				
U.S. Agencies & Treasuries	985.7	\$990.3	\$984.8	(\$5.6)
<u>MORTGAGE SECURITIES:</u>				
Pass-Through	528.0	\$516.7	\$507.4	(\$9.2)
CMO	<u>209.2</u>	<u>203.5</u>	<u>203.5</u>	<u>\$0.0</u>
Total	737.2	\$720.2	\$711.0	(\$9.2)
<u>EQUITIES:</u>				
Common Stock		\$1,297.0	\$1,390.8	\$93.9
EXTERNAL MANAGEMENT				
<u>EQUITIES AND FIXED INCOME:</u>				
International Common Stock		\$2,575.8	\$2,966.7	\$390.9
Domestic Common Stock		1,539.8	1,618.3	78.5
International Fixed Income		<u>668.4</u>	<u>650.5</u>	<u>(18.0)</u>
Total		\$4,784.0	\$5,235.5	\$451.5
TOTAL SALES:		\$7,998.0	\$8,519.2	\$521.2

Portfolio Summary and Transactions

CURRENCY HEDGE PORTFOLIO SUMMARY

(\$ Millions)

October 31, 2005

<u>PENDING FX CONTRACTS</u>	<u>COST</u>	<u>MARKET VALUE</u>
Total FX Purchased	\$7,611.1	\$7,511.0
Total FX Sold	\$15,407.9	\$14,934.8

CURRENCY OPTIONS

Currency Puts	\$369.4	\$369.4
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"For FX purchased, a market value higher than book value means the contracts have an unrealized gain as of the valuation date. For FX sold, a market value lower than book value means the contracts have an unrealized gain as of the valuation date."

CURRENCY HEDGE TRANSACTION SUMMARY

(\$ Millions)

October 31, 2005

<u>PURCHASES</u>	<u>COST</u>
Pending FX Contracts	\$8,081.7

<u>SALES</u>	<u>PROCEEDS</u>
Pending FX Contracts	\$8,057.2

Affiliate Funds Report- November 30, 2005

Staff has compiled the following investment transaction and portfolio summary reports prepared by the Custodian for the Affiliate Funds for the month ending November 30, 2005.

Affiliate Funds Allocation and Transaction Reports: [\(full reporting is available in the supplemental reporting document\)](#)

Legislators' Retirement Fund:

<u>Asset</u>	<u>BOOK VALUE</u>	<u>PERCENT OF PORTFOLIO</u>	<u>MARKET VALUE</u>	<u>PERCENT OF PORTFOLIO</u>
AFFILIATE TIPS	\$135,820,903	51.038	\$132,829,531	49.503
LEG-INTERNATIONAL - SSGA	\$8,646,144	3.249	\$13,729,343	5.009
LEGISTRATORS RETIREMENT TOTAL FUND	\$121,652,242	45.713	\$121,937,607	45.488
TOTAL	<u>\$266,119,289</u>	100.000	<u>\$268,496,481</u>	100.000

Judges' Retirement Fund:

<u>Asset</u>	<u>BOOK VALUE</u>	<u>PERCENT OF PORTFOLIO</u>	<u>MARKET VALUE</u>	<u>PERCENT OF PORTFOLIO</u>
JUD-INTERNAL SHORT TERM - CALPERS	\$34,980	100.000	\$34,980	100.000
TOTAL	<u>\$34,980</u>	100.000	<u>\$34,980</u>	100.000

Affiliate Funds Report- November 30, 2005

Judges II Retirement Fund:

<u>Asset</u>	<u>BOOK VALUE</u>	<u>PERCENT OF PORTFOLIO</u>	<u>MARKET VALUE</u>	<u>PERCENT OF PORTFOLIO</u>
JUDGES II - INTERNATIONAL - SSGA	\$23,213,648	13.596	\$36,669,780	19.676
JUDGES II TOTAL FUND	\$147,528,522	86.404	\$9,698,112	80.324
TOTAL	<u>\$170,742,170</u>	100.000	<u>\$46,367,892</u>	100.000

Public Employees' Medical & Hospital Care Act Contingency Reserve Fund:

<u>Asset</u>	<u>BOOK VALUE</u>	<u>PERCENT OF PORTFOLIO</u>	<u>MARKET VALUE</u>	<u>PERCENT OF PORTFOLIO</u>
CRF INTERNAL SHORT TERM - CALPERS	\$6,764,214	100.000	\$6,764,214	100.000
TOTAL	<u>\$6,764,214</u>	100.000	<u>\$6,764,214</u>	100.000

Volunteer Firefighters Length of Service Award Fund:

<u>Asset</u>	<u>BOOK VALUE</u>	<u>PERCENT OF PORTFOLIO</u>	<u>MARKET VALUE</u>	<u>PERCENT OF PORTFOLIO</u>
VFF INTERNAL SHORT TERM - CALPERS	\$2,889,282	100.000	\$2,974,985	100.000
TOTAL	<u>\$2,889,282</u>	100.000	<u>\$2,974,985</u>	100.000

Affiliate Funds Report- November 30, 2005

Supplemental Contribution Fund:

<u>Asset</u>	<u>BOOK VALUE</u>	<u>PERCENT OF PORTFOLIO</u>	<u>MARKET VALUE</u>	<u>PERCENT OF PORTFOLIO</u>
SCP TOTAL FUND	\$17,002,213	87.152	\$17,486,301	82.084
SUPPLEMENTAL CONTRIBUTION - INTL EQUITY	\$2,506,491	12.848	\$3,816,752	17.916
TOTAL	<u>\$19,508,704</u>	100.000	<u>\$21,303,053</u>	100.000

Self Fund Health Care:

<u>Asset</u>	<u>BOOK VALUE</u>	<u>PERCENT OF PORTFOLIO</u>	<u>MARKET VALUE</u>	<u>PERCENT OF PORTFOLIO</u>
SELF FUND HEALTH - CALPERS	\$91,632,768	100.000	\$91,494,725	100.000
TOTAL	<u>\$91,632,768</u>	100.000	<u>\$91,494,725</u>	100.000